

**STATE OF SOUTH CAROLINA**

Petition of South Carolina Electric & Gas Company for an  
Order Authorizing the Deferral of All Capacity Charges  
Incurred as a Result of Purchasing Power Necessary to  
Meet the Needs of Its Customers and Electric System  
During the 2008-2018 Time Period

**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA**

**COVER SHEET**

**DOCKET**

**NUMBER: 2008 - 230 - E**

(Please type or print)

**Submitted by:** K. Chad Burgess

**SC Bar Number:** 69456

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

**DOCKETING INFORMATION** (Check all that apply)

☐ **Emergency Relief demanded in petition**      ☐ **Request for item to be placed on Commission's Agenda expeditiously**

☐ **Other:** \_\_\_\_\_

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input checked="" type="checkbox"/> Report	

March 9, 2012

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk/Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29210

RE: Petition of South Carolina Electric & Gas Company for an Order  
Authorizing the Deferral of All Capacity Charges Incurred as a Result  
of Purchasing Power Necessary to Meet the Needs of Its Customers  
and Electric System During the 2008-2018 Time Period  
Docket No. 2008-230-E

Dear Ms. Boyd:

By Order No. 2008-530, dated July 30, 2008, in the above-referenced docket, the Public Service Commission of South Carolina ("Commission") authorized South Carolina Electric & Gas Company ("SCE&G" or "Company") to defer and record as a regulatory asset all capacity charges incurred as a result of purchasing power in the 2008-2018 time period. As part of its order the Commission stated that "SCE&G should monitor this deferral account and provide a status update on an annual basis to both ORS and to this Commission." See Order No. 2008-530 p.3. The purpose of this letter is to provide the Commission and ORS with a status update of the deferral account.

The capacity purchases booked to the deferral account during the time period July 30, 2008 to September 30, 2009, were included as part of SCE&G's most recent general rate case proceeding. See Docket No. 2009-489-E. Pursuant to Order No. 2010-471, dated July 15, 2010, those costs have been included in SCE&G's retail electric base rates and are being amortized over a ten-year period. Since that time, SCE&G has made additional capacity purchases which have been booked to the deferral account in accordance with Order No. 2008-530. For reporting purposes, these additional capacity purchases are set forth in the table below.

(Continued . . . )

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Date of Purchase	Capacity	Cost
June 2011	100 Megawatts ("MW")	\$112,000
July 2011	200 MW	\$420,000
August 2011	200 MW	\$420,000
September 2011	200 MW	\$420,000
December 2011	200 MW	\$554,396

As of December 31, 2011, the balance of the deferral account is \$1,926,396.

By copy of this letter, SCE&G is providing the South Carolina Office of Regulatory Staff with this status update of the deferral account.

If you have any questions or need additional information, please do not hesitate to contact us.

Very truly yours,



K. Chad Burgess

KCB/kms

cc: John W. Flitter  
Jeffery M. Nelson, Esquire  
(both via electronic and U.S. First Class Mail)